

103D CONGRESS
1ST SESSION

S. 1617

To amend the Export Administration Act of 1979 with respect to exports of computers, telecommunications equipment, and semiconductors.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 3 (legislative day, NOVEMBER 2), 1993

Mr. GREGG introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Export Administration Act of 1979 with respect to exports of computers, telecommunications equipment, and semiconductors.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “High Technology Ex-
5 port Reform Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) increased communications and exchange of
9 information through computer and telecommuni-
10 cations networks promotes the development of demo-

1 cratic political institutions, free market reforms, and
2 economic modernization;

3 (2) computers, telecommunications, semiconduc-
4 tors, and related equipment, software, and tech-
5 nology account for more than 85 percent of the
6 value of exports controlled by the United States De-
7 partment of Commerce under the Export Adminis-
8 tration Act of 1979;

9 (3) the computer, telecommunications, and
10 semiconductor industries account for
11 \$55,000,000,000 in exports and 12.3 percent of all
12 of the export trade of the United States, represent-
13 ing more than 850,000 jobs in the United States;

14 (4) the rapid pace of technological development
15 and the dramatic reductions in product innovation
16 cycles for these products have rendered any system
17 for controlling their export meaningless; and

18 (5) the availability of advanced computer, tele-
19 communications, and semiconductor products from
20 sources of supply other than the United States and
21 members of the Coordinating Committee for Multi-
22 lateral Export Countries (hereafter in this Act re-
23 ferred to as the "COCOM") exists, and the perpet-
24 uation of export controls on these products dis-
25 advantages United States exporters to the detriment

1 of the domestic economy, United States innovation,
2 and employment of American workers in these 3 in-
3 dustries and in those United States industries which
4 are the suppliers and customers of such industries.

5 **SEC. 3. REMOVAL OF EXPORT CONTROLS ON COMPUTERS**
6 **AND ELECTRONIC EQUIPMENT.**

7 Section 4 of the Export Administration Act of 1979
8 (50 U.S.C. App. 2403) is amended by adding at the end
9 the following new subsection:

10 “(h) LICENSE AUTHORITY FOR COMPUTERS, TELE-
11 COMMUNICATIONS EQUIPMENT, AND SEMICONDUCTORS.—

13 “(1) IN GENERAL.—

14 “(A) LICENSE EXEMPTION.—No validated
15 license or reexport authorization may be re-
16 quired for the export or reexport (as the case
17 may be), for consumption or use in any country
18 other than a targeted country, of any product
19 or related software or technology that is or
20 would be classified under the following entries
21 of the control list as in effect on July 1, 1993,
22 except for any such product or related software
23 or technology to which missile technology con-
24 trols apply under the control list:

1 “(i) Computers and related equipment
2 under Category 4, code letter A.

3 “(ii) Telecommunications and related
4 equipment under Category 5, Part I.

5 “(iii) Semiconductors, as follows:

6 “(I) Items 3A01A.a, 3A02A.h,
7 3A92F, and all integrated circuits or
8 their microelectronic devices classified
9 under 3A96G.

10 “(II) Items 3D01A related to
11 3A01A.a and 3A02A.h, 3D03A,
12 3D94F, and 3D96G related to inte-
13 grated circuits or other microelec-
14 tronic devices classified under 3A96G.

15 “(III) Items 3E01A related to
16 3A01A.a and 3A02A.h, 3E02A,
17 3E94F related to 3A92F, and 3E96G
18 related to integrated circuits or other
19 microelectronic devices classified
20 under 3A96G.

21 “(B) NO PROPOSALS FOR CERTAIN LIST
22 TRANSFERS.—The United States shall not pro-
23 pose (or ask any other government to propose)
24 to the COCOM the transfer of any item subject
25 to subparagraph (A) from the Industrial List of

1 the COCOM to the International Munitions
2 List of the COCOM.

3 “(C) NO AGREEMENTS TO CERTAIN LIST
4 TRANSFERS.—The United States shall not
5 agree to any proposal to transfer any item sub-
6 ject to subparagraph (A) from the Industrial
7 List of the COCOM to the International Muni-
8 tions List of the COCOM.

9 “(2) OTHER AUTHORITIES.—No control on the
10 export or reexport of any good or technology for
11 which no license or authorization may be required
12 under paragraph (1)(A) may be imposed, directly or
13 indirectly, under the International Emergency Eco-
14 nomic Powers Act, the Trading with the Enemy Act,
15 or other provision of law, other than in connection
16 with a prohibition on all or substantially all exports
17 to a specific country, government, entity, or person.

18 “(3) EXCEPTIONS.—Nothing in this subsection
19 shall prohibit the Secretary from requiring a vali-
20 dated license for exports to—

21 “(A) a country against which the United
22 States maintains an embargo of all or substan-
23 tially all exports; or

24 “(B) a party lawfully denied export privi-
25 leges under this Act.

1 “(4) DEFINITION.—For purposes of this sub-
 2 section, the term ‘targeted country’ means any coun-
 3 try—

4 “(A) the government of which the Sec-
 5 retary of State has determined, under section
 6 6(j), to be a government that has repeatedly
 7 provided support for acts of international ter-
 8 rorism; or

9 “(B) which is subject to an embargo—

10 “(i) which has been imposed by the
 11 United Nations on all or substantially all
 12 exports to that country; and

13 “(ii) in which the United States is
 14 participating.

15 “(5) RELATIONSHIP TO OTHER PROVISIONS OF
 16 THIS ACT.—The provisions of this subsection shall
 17 apply notwithstanding any other provision of this
 18 Act.”.

19 **SEC. 4. EFFECTIVE DATE.**

20 (a) IN GENERAL.—The amendment made by section
 21 3 shall become effective 6 months after the date of enact-
 22 ment of this Act.

23 (b) INTERIM NEGOTIATIONS.—Upon the enactment
 24 of this Act, the President shall undertake negotiations
 25 with the COCOM and other relevant multilateral export

1 control regimes for the purpose of attaining agreement
2 among the members of the COCOM and such other re-
3 gimes to apply export controls consistent with the amend-
4 ment made by section 3. Whether such agreement is at-
5 tained shall not affect the effective date set forth in sub-
6 section (a).

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